

Regular Session, 2010

HOUSE BILL NO. 781

BY REPRESENTATIVE CHAMPAGNE

DISTRICTS/SPECIAL: Creates a combined wastewater district for the towns of Erath and Delcambre

1 AN ACT

2 To enact R.S. 33:7714, relative to wastewater districts; to create a consolidated wastewater  
3 district for the towns of Erath and Delcambre; to provide for the purpose, boundaries,  
4 and powers of the district; to provide for the governance of the district; to provide  
5 for the issuance of bonds; to provide restrictions on the issuance of bonds; to provide  
6 for the assumption of debt; to provide for the levy of an ad valorem tax; to provide  
7 for an election on the question of such ad valorem tax; to provide for the powers,  
8 rights, and duties of districts subsumed by this district; to provide for existing  
9 contractual rights; and to provide for related matters.

10 Notice of intention to introduce this Act has been published  
11 as provided by Article III, Section 13 of the Constitution of  
12 Louisiana.

13 Be it enacted by the Legislature of Louisiana:

14 Section 1. R.S. 33:7714 is hereby enacted to read as follows:

15 §7714. Erath-Delcambre Consolidated Wastewater District

16 A.(1) There is hereby created the Erath-Delcambre Consolidated Wastewater  
17 District, referred to in this Section as the "district" or "consolidated district", within  
18 the parishes of Vermilion and Iberia, as more specifically provided in Subsection B  
19 of this Section. The district shall be a political subdivision of the state within the  
20 meaning of Article VI, Section 44(2) of the Constitution of Louisiana but shall not

1 be considered an instrumentality of the state for the purposes of Article X of the  
2 Constitution of Louisiana.

3 (2) The district is established for the construction, maintenance, and  
4 operation of wastewater services and facilities within the district boundaries.

5 B. The boundaries of the district shall be as follows: bounded on the west by  
6 the westernmost edge of the town of Erath, bounded on the east by the easternmost  
7 edge of the town of Delcambre, bounded on the north by a straight line drawn from  
8 the southernmost point of Lake Peignuer to bisect the east and west boundaries, and  
9 bounded on the south by a straight line drawn from both sides of Bayou Tigre Road  
10 to intersect the east and west boundaries.

11 C.(1) The district shall be governed by a board of commissioners, referred  
12 to in this Section as the "board", comprised as follows:

13 (a) Two members shall be appointed by the governing authority of the town  
14 of Erath.

15 (b) Two members shall be appointed by the governing authority of the town  
16 of Delcambre.

17 (c) One member shall be appointed by the seafood processing facilities  
18 within the district.

19 (2)(a) Except as provided in Subparagraph (b) of this Paragraph, members  
20 shall serve four-year terms and shall be eligible for reappointment. In no case,  
21 however, shall any member serve more than three consecutive terms.

22 (b) Initial terms of the board shall be determined by lot at the first meeting;  
23 one member shall serve one year; one member shall serve two years; two members  
24 shall serve three years; and one member shall serve four years.

25 (3) All members shall be residents of the district.

26 (4) Members may be removed for cause by a majority vote of the other  
27 members of the board. Any member so removed shall not be eligible for  
28 reappointment to the board.

1           (5) Any member who misses four consecutive regular meetings of the board  
2           shall be automatically removed from office and his position shall be deemed vacant.

3           (6) Vacancies on the board shall be filled in the manner of the original  
4           appointment. Should the appointing authority fail to fill the vacancy within thirty  
5           days of receiving official notice of the vacancy from the highest ranking officer of  
6           the board in good standing, the remaining board members may appoint a member to  
7           serve the remainder of the unexpired term. Such an appointee shall be eligible for  
8           reappointment by the appointing authority.

9           D.(1) Board members shall serve without compensation.

10          (2) The board shall be domiciled in the town of Delcambre.

11          (3) The board shall adopt bylaws it deems necessary or advisable for  
12          conducting its business affairs. Rules and regulations of the board relative to the  
13          notice and conduct of meetings shall conform to applicable law, including laws  
14          relative to open meetings. The board shall hold regular meetings as shall be provided  
15          for in the bylaws and may hold special meetings at such times and places within the  
16          district as may be prescribed in the bylaws.

17          (4) The minute books and archives of the district shall be maintained by the  
18          secretary-treasurer of the board. The monies, funds, and accounts of the district shall  
19          be in the official custody of the board.

20          (5) The board shall elect from its members a chairman, a vice chairman, a  
21          secretary-treasurer, and such other officers as it may deem necessary. The duties of  
22          the officers shall be fixed by the bylaws adopted by the board.

23          (6) A majority of the members of the board shall constitute a quorum for the  
24          transaction of business. The board shall keep minutes of all meetings and shall make  
25          them available through the secretary of the board.

26          E. The district, through its governing board, shall have the following powers:

27           (1) To sue and be sued.

28           (2) To establish, use, and alter at will a corporate seal.

29           (3) To enter into contracts.

1           (4) To acquire, hold, lease, or dispose of property.

2           (5) To contract for, install, maintain, and operate a sewerage system within  
3           its boundaries and to exercise the power of expropriation for the purpose of laying,  
4           installing, and operating the sewerage system and appurtenances.

5           (6) To incur indebtedness and issue bonds in the manner provided by law.

6           (7) To receive and expend gifts, grants, donations, or appropriations of  
7           money.

8           (8) To enact all rules and regulations necessary or advantageous to the  
9           installing, maintenance, operation, and use of the sewerage systems or plants.

10          (9) To employ or contract for labor necessary to achieve the purpose of the  
11          district.

12          (10) Any other powers necessary or incidental to the achievement of the  
13          purpose of the district.

14          F.(1) In addition to any other powers granted by this Section or by any other  
15          provision of law, the governing authority of the district may levy taxes on real  
16          property within the district for the purpose of funding any aspect of providing a  
17          sewerage system, subject to the provisions of this Subsection:

18               (a) Such taxes may be levied in the form of ad valorem taxes or parcel fees  
19               which shall be levied on all taxable property within the district.

20               (b) Any such tax or fee shall be levied and collected in the same manner as  
21               ad valorem taxes. Such tax may be carried on the tax rolls for the parishes in which  
22               the district is located and may be enforced in the same manner as ad valorem taxes.

23               (c) The board may incur debt and issue bonds payable in whole or in part  
24               from an irrevocable pledge and dedication of all or a portion of the proceeds of such  
25               taxes on property in accordance with the law.

26               (d) The proceeds of the tax or parcel fee or of bonds secured by such tax or  
27               fee may be used by the district for any aspect of providing sewage disposal services,  
28               including but not limited to acquisition, construction, improvement, extension,  
29               operation, repair, or maintenance of all or any element of a sewerage system.

1           (2) Any such tax or fee to be levied in the district shall be proposed in an  
2           ordinance of the district. Such ordinance shall specify the type of tax, the rate of the  
3           tax, if the tax is a parcel fee the ordinance must define "parcel", the timing and  
4           manner of collection of the tax or fee, and the ordinance must state the purpose for  
5           which the tax is requested.

6           (3) No such tax or fee shall be levied nor any debt incurred nor bonds issued  
7           until such action is approved by a majority of the voters of the district voting on the  
8           proposition at an election held for such purpose in accordance with the Louisiana  
9           Election Code.

10           G. Any existing sewerage district wholly included within the boundaries of  
11           the consolidated district, referred to in this Section as an "underlying district", shall  
12           no longer have the right to issue bonds or other obligations, and all books, records,  
13           and assets of such underlying district shall be transferred to the consolidated district.  
14           The board of the consolidated district shall cause taxes to continue to be levied in all  
15           respects as would have been required had such consolidation not been effected for  
16           the payment of the outstanding indebtedness of each underlying district, if such  
17           indebtedness has not been assumed by the consolidated district as provided in  
18           Subsection H of this Section. In addition, if the indebtedness of any underlying  
19           district consists of revenue bonds or special assessment certificates payable from  
20           service charges or assessments, the board of the consolidated district shall continue  
21           to impose and collect such service charges or assessments, as well as any special  
22           taxes previously authorized and legally dedicated by covenant with bondholders to  
23           the payment of maintenance or operation expenses.

24           H. The creation of the consolidated sewerage district by this Section shall not  
25           affect or impair in any manner any contract rights enjoyed by the holders of any  
26           outstanding bonds or obligations of any underlying districts. To the extent required  
27           by such contract rights, taxes, service charges, and assessments on the property  
28           subject to the payment of principal of and interest on such bonds or obligations shall  
29           continue to be levied and collected as provided in Subsection G of this Section;

1 however, the district may assume all or any indebtedness of any underlying district  
2 in the manner and with the effect provided by R.S. 39:661 et seq. for the assumption  
3 of indebtedness by parishes.

4 I. The district, in addition to its right to issue bonds or other obligations for  
5 the purposes and in the manner elsewhere provided in the constitution and laws of  
6 this state, may issue refunding bonds for the purpose of refunding any outstanding  
7 revenue bonds or obligations of one or more of its underlying districts or, in its  
8 discretion, may authorize and deliver a single issue of revenue bonds for both  
9 improvement and refunding purposes. Refunding bonds so authorized shall be  
10 authorized and issued in the manner provided by law for the issuance of the bonds  
11 or other obligations refunded and shall be secured in the same manner as the bonds  
12 or obligations refunded, except that the governing authority, in its discretion, may  
13 provide for changes in the source of payment of such bonds or obligations as it  
14 considers desirable, and except that any refunding bonds so authorized either may  
15 be sold and the funds realized from the sale thereof applied exclusively to the  
16 payment of the bonds or obligations refunded or may be delivered in exchange for  
17 a like principal amount of the bonds or obligations refunded or may be sold in part  
18 or exchanged in part. Such refunding bonds also may be sold and the proceeds  
19 thereof escrowed to be used in paying the bonds or obligations refunded on the date  
20 on which they become payable through maturity or call for redemption. Refunding  
21 bonds so issued shall not exceed in principal amount the principal amount of the  
22 bonds or obligations to be so refunded.

23 Section 2. The provisions of this Act shall become effective January 1, 2011.

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#### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Champagne

HB No. 781

**Abstract:** Creates the Erath-Delcambre Consolidated Wastewater District in Iberia and Vermilion parishes.

Present law authorizes municipalities to create sewerage or wastewater districts to handle the construction, operation, and maintenance of sewer systems within the city. Proposed law retains present law.

Proposed law creates a consolidated wastewater district for the towns of Erath and Delcambre in Vermilion and Iberia parishes.

Proposed law provides for the boundaries of the district. Further provides for the governance of the district by a five-member board of commissioners, appointed as follows:

- (1) Two members shall be appointed by the governing authority of the town of Erath.
- (2) Two members shall be appointed by the governing authority of the town of Delcambre.
- (3) One member shall be appointed by the seafood processing facilities within the district.

Proposed law further provides that members shall serve staggered four-year terms. All members are eligible for reappointment to the board, but no member can serve more than three consecutive terms. Members may also be removed for cause as provided in proposed law.

Proposed law provides for vacancies on the board and further provides that any member who misses four consecutive regular meetings shall automatically lose his position on the board.

Proposed law provides for the organization of the board. Members shall serve without compensation and shall adopt bylaws for the governance of the board. The board members shall also elect from among themselves certain officers as required in proposed law. A majority of the members of the board shall constitute a quorum, and the board shall meet in regular and special meetings as provided in its bylaws.

Proposed law further provides for the powers of the board, which include:

- (1) The power to acquire, hold, lease, or dispose of property.
- (2) The power to contract for, install, maintain, and operate a sewerage system within the district and to exercise the power of expropriation to achieve such ends.
- (3) The power to incur indebtedness and to issue bonds, as provided under present law.
- (4) The power to receive gifts, grants, donations, or appropriations of money.
- (5) The power to hire employees or to contract for labor.
- (6) Any other powers necessary or incidental to the achievement of the purpose of the district.

Proposed law further provides that the district may, subject to voter approval, levy taxes on real property in order to fund any aspect of the sewer system. Proposed law provides restrictions on the levy of such taxes.

Proposed law provides for the district to assume the debt of any underlying sewerage district wholly included within its boundaries. Further provides that if the district does not assume such pre-existing debts of underlying districts, that the district shall not impair the contractual rights of any obligation holder of the underlying district. Provides that the district shall continue to levy all taxes dedicated to paying off the underlying district's debt at the same rate they were levied before the creation of the district.

Proposed law further authorizes the district to issue a new series of refunding bonds to pay back any refunding bonds of the underlying district and to produce revenue for improvements of the consolidated district. Provides restrictions on such refunding bonds and methods of issuing such refunding bonds to pay back the underlying obligations.

Effective Jan. 1, 2011.

(Adds R.S. 33:7714)